## AMENDED IN ASSEMBLY APRIL 26, 2010

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

## ASSEMBLY BILL

No. 2551

## **Introduced by Assembly Member Hernandez**

February 19, 2010

An act relating to public health. An act to amend Section 128345 of, and to add Article 6 (commencing with Section 128560) to Chapter 5 of Part 3 of Division 107 of, the Health and Safety Code, relating to pharmacy technicians.

## LEGISLATIVE COUNSEL'S DIGEST

AB 2551, as amended, Hernandez. Health professions development: loan repayment. Pharmacy technicians: scholarship and loan repayment program.

Existing law establishes the California Pharmacist Scholarship and Loan Repayment Program, administered by the Office of Statewide Health Planning and Development, to provide for the educational expenses of pharmacy students and to repay qualifying educational loans of pharmacists who agree to serve in areas of the state where unmet priority needs exist, as specified. Existing law establishes the California Pharmacist Scholarship and Loan Repayment Program Fund in the State Treasury, which is funded by voluntary contributions made by pharmacies or pharmacists upon renewal of their license, and requires that the moneys in the fund be available for the purpose of implementing the above program, upon appropriation by the Legislature.

Existing law also authorizes the Health Professions Education Foundation to implement various loan repayment programs for nurses, mental health service providers, and physicians. AB 2551 -2-

This bill would establish the California Pharmacy Technician Scholarship and Loan Repayment Program, to be administered by the Health Professions Education Foundation, to pay for educational expenses of pharmacy technician students and to repay qualifying educational loans of pharmacy technicians who agree to serve in areas of the state where unmet priority needs exist, as specified. This bill would authorize the foundation to solicit and receive funds from specified sources for the purpose of providing financial assistance through the California Pharmacy Technician Scholarship and Loan Repayment Program. This bill would require that private or public funds made available for purposes of the program to be deposited in the California Pharmacy Technician Scholarship and Loan Repayment Fund established by the bill.

The bill would require, upon accumulation of sufficient moneys in the fund to implement the program, as determined by the foundation, and upon appropriation by the Legislature, that the moneys in the fund be available for the purpose of implementing the program.

Existing law establishes various health professions development programs, including, but not limited to, the Song-Brown Health Care Workforce Training Act, the Health Professions Education Foundation Programs, and the Steven M. Thompson Physician Corps Loan Repayment Program.

This bill would declare the intent of the Legislature to enact legislation that would establish a new fee structure for loan repayment of health professions development programs.

Vote: majority. Appropriation: no. Fiscal committee: <del>no</del> yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 128345 of the Health and Safety Code is 2 amended to read:
- 3 128345. The Health Professions Education Foundation may 4 do any of the following:
- 5 (a) Solicit and receive funds from business, industry,
- 6 foundations, and other private or public sources for the purpose
- 7 of providing financial assistance in the form of scholarships or
- 8 loans to African-American African American students, Native
- 9 American students, Hispanic-American Hispanic American
- 10 students, and other students from underrepresented groups. These

-3- AB 2551

funds shall be expended by the office after transfer to the Health Professions Education Fund, created pursuant to Section 128355.

- (b) Recommend to the director the disbursement of private sector moneys deposited in the Health Professions Education Fund to students from underrepresented groups accepted to or enrolled in schools of medicine, dentistry, nursing, or other health professions in the form of loans or scholarships.
- (c) Recommend to the director a standard contractual agreement to be signed by the director and any participating student, that would require a period of obligated professional service in the areas in California designated by the commission as deficient in primary care services. The agreement shall include a clause entitling the state to recover the funds awarded plus the maximum allowable interest for failure to begin or complete the service obligation.
- (d) Develop criteria for evaluating the likelihood that applicants for scholarships or loans would remain to practice their profession in designated areas deficient in primary care services.
- (e) Develop application forms, which shall be disseminated to students from underrepresented groups interested in applying for scholarships or loans.
- (f) Encourage private sector institutions, including hospitals, community clinics, and other health agencies to identify and provide educational experiences to students from underrepresented groups who are potential applicants to schools of medicine, dentistry, nursing, or other health professions.
- (g) Prepare and submit an annual report to the office documenting the amount of money solicited from the private sector, the number of scholarships and loans awarded, the enrollment levels of students from underrepresented groups in schools of medicine, dentistry, nursing, and other health professions, and the projected need for scholarships and loans in the future.
- (h) Recommend to the director that a portion of the funds solicited from the private sector be used for the administrative requirements of the foundation.
- (i) Implement the Steven M. Thompson Physician Corps Loan Repayment Program and the Volunteer Physician Program, as provided under Article 5 (commencing with Section 128550).
- (j) Solicit and receive funds from business, industry, foundations, and other private and public sources for the purpose of providing

AB 2551 —4—

1 financial assistance in the form of scholarships and loans through 2 the California Pharmacy Technician Scholarship and Loan 3 Repayment Program, pursuant to Article 6 (commencing with 4 Section 128560).

- (k) Administer the California Pharmacy Technician Scholarship and Loan Repayment Program, pursuant to Article 6 (commencing with Section 128560).
- SEC. 2. Article 6 (commencing with Section 128560) is added to Chapter 5 of Part 3 of Division 107 of the Health and Safety Code, to read:

11
12 Article 6. California Pharmacy Technician Scholarship and
13 Loan Repayment Program

- 128560. (a) (1) There is hereby established within the Health Professions Education Foundation the California Pharmacy Technician Scholarship and Loan Repayment Program.
- (2) The program shall provide scholarships to pay for the educational expenses of pharmacy technician school students and to repay qualifying educational loans of pharmacy technicians who agree to participate in designated medically underserved areas as provided in this section.
- (b) The Health Professions Education Foundation shall administer the California Pharmacy Technician Scholarship and Loan Repayment Program utilizing the same general guidelines applicable to the federal National Health Service Corps Scholarship Program established pursuant to Section 254 l of Title 42 of the United States Code and the National Health Service Corps Loan Repayment Program established pursuant to Section 254 l-1 of Title 42 of the United States Code, except as follows:
- (1) A pharmacy technician or pharmacy technician student shall be eligible to participate in the program if he or she agrees to provide pharmacy technician services in a practice site located in an area of the state where unmet priority needs for primary care family physicians exist as determined by the Health Workforce Policy Commission.
- (2) No matching funds shall be required from any entity in the practice site area.
- 39 (c) This section shall be implemented only to the extent that 40 sufficient moneys are available in the California Pharmacy

**—5**— **AB 2551** 

Technician Scholarship and Loan Repayment Program Fund to 2 administer the program.

1

3

4

5

6 7

8

10 11

12

13

14 15

16 17

18

19

20

21

22

23

24 25

26

27

28

29

30

31

128561. The California Pharmacy Technician Scholarship and Loan Repayment Program Fund is hereby established in the State Treasury. Any private or public funds made available for purposes of the California Pharmacy Technician Scholarship and Loan Repayment Program shall be deposited into the fund. Upon accumulation of sufficient moneys in the fund to implement the program, as determined by the foundation, and upon appropriation by the Legislature, moneys in the fund shall be available for expenditure by the Health Professions Education Foundation for purposes of implementing the California Pharmacy Technician Scholarship and Loan Repayment Program pursuant to this article. The Health Professions Education Foundation shall be under no obligation to administer a program under this article until sufficient moneys have been accumulated in the fund and appropriated to the foundation by the Legislature.

- SECTION 1. It is the intent of the Legislature to enact legislation that would establish a new fee structure for loan repayment of various health professions development programs, including, but not limited to, all of the following:
- (a) The Song-Brown Health Care Workforce Training Act (Article 1 (commencing with Section 128200) of Chapter 4 of Part 3 of Division 107 of the Health and Safety Code).
- (b) The Health Professions Education Foundation Programs established pursuant to (Chapter 5 (commencing with Section 128330) of Part 3 of Division 107 of the Health and Safety Code).
- (c) The Steven M. Thompson Physician Corps Loan Repayment Program, as set forth in Article 5 (commencing with Section 128550) of Chapter 5 (commencing with Section 128330) of Part 3 of Division 107 of the Health and Safety Code.